

COOPERATION AGREEMENT

This COOPERATION AGREEMENT (the "Agreement") is entered into this 28th day of April, 2011, among the CITY OF BURBANK ("City"), a municipal corporation and charter city, YOUTH ENDOWMENT SERVICES FUND, a non-profit corporation ("YES"), and the REDEVELOPMENT AGENCY OF THE CITY OF BURBANK, a public body, corporate and politic ("Agency").

Recitals

A. The City desires to undertake the construction of the City of Burbank Lundigan Community Center ("Project").

B. The City, YES and the Agency have conducted a duly noticed joint public hearing pursuant to Health and Safety Code Section 33679, and have found and declared pursuant to Health and Safety Code Section 33679 that the construction of the Project by the City would be of benefit to the Burbank Merged and Amended Redevelopment Project Area, specifically the Golden State Redevelopment Project Area; that there is no other reasonable means of financing the construction of the Project through Agency funding thereof; and that the construction is consistent with the AB1290 Agency Implementation Plan, and will help to eliminate blight within the Project Area or provide housing for low- or moderate-income persons.

1) The use of Agency funds is of primary benefit to the project area funding the improvements. The proposed Center is located just outside of the Merged Project Area, specifically the Golden State Project Area and within the Golden State Focus Neighborhood. The purpose of assisting the proposed Center is to: 1) address long-standing deficiencies in amenities in the immediate area that will help retain, expand and attract quality business and investment to the Merged Project Area; and 2) by providing this much needed amenity in an area that lacks recreational facilities, assist with the redevelopment of properties in the Merged Project Area thereby eliminating substandard buildings and underutilized properties with future investment. Therefore, the proposed Center will accomplish the goal of the Redevelopment Plan of improving public utilities and public infrastructure by providing this public building that will benefit a variety of stakeholders in the Merged Project Area including the Media Studios North office complex, the Marriott Burbank Airport Hotel and Convention Center and the Bob Hope Airport.

In addition, the proposed Center is located within the Golden State Focus Neighborhood. The proposed Center will benefit families in Agency-assisted affordable housing developments in the Focus Neighborhood by providing a public facility with amenities and programming to build healthier families. Finally, one of the goals during the schematic design phase will be to incorporate current practices that promote and support long-term environmental sustainability. The Center will

meet the City's new Green Building Standards Code and will incorporate drought-tolerant landscaping, as well as more effective storm water management opportunities.

2) There is no other reasonable means of financing the proposed improvements.

The City's General Fund is facing more budget cuts and funding is severely limited. The City's current and projected revenue vs. expenditure projections do not support the funding of this critical project. As of the writing of this report, a General Fund shortfall of roughly \$8.7 million is currently anticipated. In addition, the State's budget deficit is likely to impact local government budgets even further, including the grave uncertainties revolving around the fate of redevelopment. Center funding is not available from any other source available to the City without delaying or cancelling other necessary infrastructure projects.

3) Funding the project will assist in the elimination of one or more blighting conditions inside the project area. The site of the proposed Center is located just outside of the Merged Project Area and specifically the Golden State Project Area. The Center would offer an important amenity not only for the residents of the Golden State Focus Neighborhood, but also for the job generators in the Merged Project Area and would be an important component of the city's infrastructure. Currently, the park is under-utilized and has functionally obsolete major systems and park components that do not meet the needs of the community.

The proposed Center would be an integral component of the infrastructure that supports and benefits the Merged Project Area as a whole. The Agency's funding commitment will help facilitate the redevelopment of the few pockets of blight that remain, by providing a recreation amenity that will be designed to serve the needs of commercial and residential neighborhoods during the final years of the Project Area life (assuming the Project Area still exists in some form). This new amenity can be a consideration when retaining, expanding and/or attracting business investment to the Project Area thereby helping to eliminate remaining blighted properties.

Furthermore, the proposed Center will have a benefit to the Golden State Focus Neighborhood by providing community-serving uses that build healthy families for households in Agency-assisted affordable housing developments in the Focus Neighborhood. Residents of Agency-assisted projects in the Focus Neighborhood will be made aware of the Center, and will be given priority notice and advance opportunity for class registration, events and programs.

4) Funding the project is consistent with the Agency's current Implementation Plan and provided for in the redevelopment plan. The Redevelopment Agency's approved Implementation Plan of Fiscal Years 2009-2014, and the Merged Project Area calls for capital improvement investments that address deficiencies in the City's public infrastructure. Furthermore, the Agency's five-year Implementation Plan

mentions community serving uses that strengthen families specifically in Agency-assisted affordable housing developments. Therefore, the Center is consistent with the Implementation Plan as further described below.

The Burbank Redevelopment Agency provides essential funding to support or facilitate the City's efforts to protect the environment and preserve existing resources while continuing to enhance the community's quality of life. This is achieved by providing or facilitating the development of Focus Neighborhood Family Resource Centers, parks, libraries, theatres, public safety facilities, and safe communities. The Center will improve an existing park and provide a new Center while incorporating sustainable building methods.

Finally, the Center would be a focal point for the Agency to continue to support facilities and developments such as the Elmwood Achievement Center, childcare centers and the various family resource centers that provide programming in the community. Currently, the Agency sponsors a variety of community resources and Focus Neighborhood programs that connect families, cultivate neighborhood interactions, and foster resident participation within the broader Burbank community. The Center is a perfect example of making investments that will leverage Agency resources with those of local community service providers.

C. By this Agreement, the City, YES, and the Agency desire to provide for funding of the City's construction of the Project.

NOW, THEREFORE, the City, YES and the Agency agree as follows:

1. YES/Agency Funding. YES shall deliver to the City the sum of Four Million, Two Hundred Thousand Dollars (\$4.2 million) immediately, and shall later deliver supplemental funds within one week of the end of Fiscal Year 2010-11, June 30, 2011, of One Million, Six Hundred Thousand Dollars (\$1.6 million) once such funds have been received by YES, so that a total of Five Million, Eight Hundred Thousand Dollars (\$5,800,000.00) will be provided as consideration for the City's performance of its obligations pursuant to this Agreement. Such funds shall be kept in an account of the City which is dedicated solely to the design and construction of the Project.

2. City Construction of Lundigan Community Center. Upon approval and execution of this Agreement, the City shall use its best efforts to promptly commence and complete the final plans, project bid documents, and the appropriate CEQA documentation(once the final plans are prepared), for the Lundigan Community Center.

3. Effective Date. This Agreement shall become effective upon the date of execution of this Agreement by the City, YES and Agency.

IN WITNESS WHEREOF, the City, YES, and the Agency have executed this Agreement as of the date first above written.

REDEVELOPMENT AGENCY OF THE
CITY OF BURBANK, a public body,
corporate and politic

By: 
Michael S. Flad
Executive Director

Attest:


Margarita Campos, CMC, Secretary

CITY OF BURBANK, a municipal
corporation and charter city

By: 
Michael S. Flad
City Manager

Attest:


Margarita Campos, CMC, City Clerk

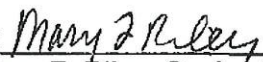
YOUTH ENDOWMENT SERVICES FUND, a
non-profit corporation

By: 
Michael S. Flad
Executive Director

Attest:


Margarita Campos, CMC, Secretary

Approved as to Form and Legal Content
Dennis A. Barlow, City Attorney/Agency
Counsel:

By: 
Mary F. Riley, Sr. Asst. City Attorney